

United States Department of the Interior

TAKE PRIDE'INAMERICA

BUREAU OF LAND MANAGEMENT

Wyoming State Office P.O. Box 1828 Cheyenne, Wyoming 82003-1828

1610 (930) Casper Resource Management Plan

November 21, 2007

Jon Nicolaysen JK Minerals, Inc. P.O. Box 3393 Casper, WY 82602

Dear Mr. Nicolaysen

Thank you for providing comments on the Proposed Casper Resource Management Plan (RMP) and Final Environmental Impact Statement (FEIS). Your letter provided three comments. Attached is a summary of your comments along with the Bureau of Land Management's (BLM) response to each comment.

We appreciate your interest and involvement in the development of the Casper RMP. If you have any questions, or wish to discuss any issues or concerns regarding the plan, please call Jim Murkin, Casper Field Manager, at 307-261-7600, or Jane Darnell, Deputy State Director for Resources Policy and Management, at 307-775-6113.

Sincerely,

Robert A. Bennett State Director

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Attachment

Casper Resource Management Plan

Comment 1: "JK Minerals, Inc. is an oil and gas leaseholder in the Sand Dunes Area. There are very significant reserves of oil and gas on our leases and we must be allowed to develop them. JK is the Operator of the Cole Creek Unit and has an existing commitment from the Secretary of the Interior to allow the prudent development of the oil and gas resource. We have several wells staked within the area and have an existing location in the NE/4 of section 17 in T35N, R77W. We should be allowed to develop these resources."

Response: Please note that under the Proposed Plan, <u>unleased</u> Federal minerals within the Sand Hills Management Area (MA) are administratively unavailable to oil and gas leasing but development of existing oil and gas leases is allowed as discussed on Page 4-2 of the PRMP/FEIS. Surface-disturbing activities, however, are subject to intensive management to meet the objectives for the area (PRMP/FEIS, Page 4-256).

Comment 2: "Also, there is an existing Right of Way for an oil and gas pipeline. This right of way was granted in 1952. It should be possible to re activate this right of way for either oil and gas or CO2 in order to best utilize the resource for the good of our country. It would not be good to have a broadly defined utility corridor, but bringing CO2 from the Salt Creek field to Cole Creek is a reasonable and prudent proposal and provision should be made for this. The vegetative resources of the Sand Dunes area are fragile, but reasonable development is possible. If one examines the old oil and gas pipeline right of way which is in the area, it is evident that the environmental impact of the pipeline was very minimal. Pipelines have a minimal impact and should be allowed within the area."

Response: After reviewing and considering your comment, BLM has determined a clarification is needed for the Proposed Plan in Record 7051, Page 2-93 of the PRMP/FEIS. The ROD/Approved Plan will be modified as follows. No new corridors will be designated; ROWs will be allowed on a case-by-case basis when management objectives for the area can still be achieved.

Comment 3: "JK Minerals would favor a management area but the proposed alternatives do not fit well. There should be middle ground between doing nothing and stopping development. Something between D and E. Alternative A and D provide no protection and B, C, D are too restrictive."

Response: Please note a reasonable range of alternatives were developed for management of the Sand Hills MA. An alternative for continued oil and gas leasing was considered and analyzed (PRMP/FEIS, Page 2-93, Alternative D). The BLM's Proposed Resource Management Plan balances resource conservation and resource uses and reflects the best combination of decisions to achieve BLM goals and policies, meet the purpose and need, and meet the needs of present and future generations.